

Minnesota Lodging Revenues Summer 2005 (June—August)

Prepared for:



and

**Minnesota Arrowhead Association
Minnesota Heartland Tourism Association
Southern Minnesota Tourism Association
Metro Tourism Committee**

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Introduction

The purpose of this report is to summarize the lodging revenues, occupancy, and average daily rates for summer 2005 (June, July, and August) in Minnesota. To arrive at the estimated accommodations revenue, information was gathered from a sample of Minnesota's lodging industry.

For the summer quarter of 2005, there were 509 interview attempts. Of these 509 properties, 500 were contacted (98%) on the telephone. While 21% of the properties provided no information, 63% provided complete information and 14% provided partial information such as occupancy figures, but no average daily rate or vice versa.

This report is the first of three lodging revenue reports that will be incorporated into an annual economic impact report following the spring quarter of 2006. A similar series of traveler profile reports are also provided and precede each quarterly lodging revenue report by about a month.

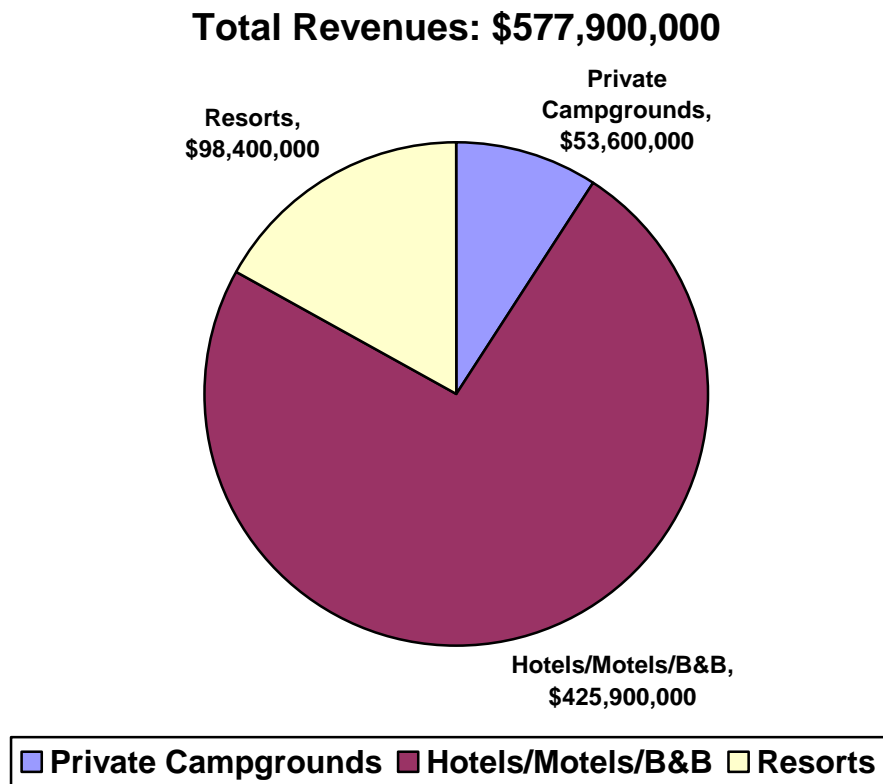
At the end of the study, results provided in all of the quarterly reports will be combined with results for the spring quarter of 2006 and additional data in a computer model to estimate state, regional, and county level economic impacts, as well as provide detailed state and regional visitor profile information balanced by region and season.

No information from public campgrounds, including state and national parks, was included in this report. Information from public campgrounds will be collected at the end of the study period and incorporated into the final economic impact report. Also, state and local taxes were included in the lodging revenue estimates as well as the estimated average daily rates.

Finally, these estimates are for preliminary purposes only and should be viewed as a barometer of summer 2005. The estimates will change when all interviewing is completed for the year, including public campgrounds, and when we have added any new properties to the roster. These properties will be added at the end of spring 2006.

The Estimates

Summer lodging revenues were estimated at \$578 million, excluding revenue from those in public campgrounds. Most of the lodging revenues for the summer of 2005 were attributable to hotels/motels/B&Bs. Of the \$578 million, 74% were from travelers staying in hotels/motels/B&Bs (\$426 million), while 17% were from travelers staying in resorts (\$98 million). Finally, 9% of lodging revenues were from travelers staying in private campgrounds (\$54 million).



Occupancy

The highest average occupancy reported in the summer quarter was from resorts at 80%, followed closely by hotels/motels/B&Bs (76%), and campgrounds (68%).

Type	Available Room-nights	Occupied Room-nights	Occupancy
Resorts	829,614	662,345	80%
Hotels/Motels/B&Bs	5,855,032	4,456,491	76%
Private Campgrounds	3,305,272	2,252,728	68%

Average Daily Rates

The highest average daily rates in the summer quarter were reported by resorts (\$151.35) and hotels/motels/B&Bs (\$96.62). As expected, private campgrounds had the lowest average daily rates (\$22.86).

Type	Rate
Resorts	\$151.35
Hotels/Motels/B&Bs	\$96.62
Private Campgrounds	\$22.86